

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

NEXTEER AUTOMOTIVE
CORPORATION,

Plaintiff,

Case No. 13-cv-15189

vs.

Hon. George Caram Steeh

KOREA DELPHI AUTOMOTIVE
SYSTEMS CORPORATION (now
known as ERAE AUTOMOTIVE
SYSTEMS CO., LTD),

Defendant.

JUDGMENT CONFIRMING IN PART
INTERNATIONAL ARBITRATION AWARD

In accordance with the Memorandum Opinion and Order entered on
May 16, 2017 [Dkt. # 67, the “Order”],

It is **ORDERED AND ADJUDGED** that Award No. 140 of 2016
issued by the Singapore International Arbitration Center on December 28,
2016 in the matter of *Nexteer Automotive Corporation v. erae Automotive
Systems Co., Ltd.*, Arb. Nos. 106, 229, 230 and 231 of 2013 (the “Award”)
is hereby **CONFIRMED in part**, as set forth in the Order and this
Judgment below.

It is further **ORDERED AND ADJUDGED** that Defendant erae Automotive shall pay Plaintiff Nexteer the amount of \$5,876,666.

It is further **ORDERED AND ADJUDGED** that Defendant erae Automotive shall pay Plaintiff Nexteer pre-judgment interest on the \$5,876,666 amount referenced in the preceding paragraph, calculated in accordance with MCL § 600.6013(8), from December 28, 2016 through the date of this Judgment. Calculated through May 24, 2017, this interest amounts to \$57,370.60, with the daily interest of \$390.70 for each additional day after May 24, 2017.¹

It is further **ORDERED AND ADJUDGED** that, in addition to the amounts listed in the preceding paragraph, Defendant erae Automotive shall pay Nexteer a royalty of 4.5% on all sales of the KPJ halfshafts from November 30, 2015, together with an additional amount representing pre-judgment interest calculated in accordance with MCL § 600.6013(8) for all sales of these products between November 30, 2015 and the date of this Judgment.

It is further **ORDERED AND ADJUDGED** that, as set forth in the Order, erae Automotive shall make future royalty payments on a quarterly basis, and furnish adequate proof of its halfshaft and premium joint

¹ Based on MCL § 600.6013(8), the daily interest rate changes on July 1 and January 1 of each year, with interest compounded annually.

product sales 30 days prior to the due date for each quarterly royalty payment.

It is further **ORDERED AND ADJUDGED** that Nexteer shall have the right to audit the sales and other financial records of Erae Automotive and companies under Erae Automotive's control to confirm compliance with the obligation to pay royalties pursuant to the Award. Any such audit is to be conducted by a mutually acceptable independent auditor, with the costs of the audit to be evenly split by the parties. Erae Automotive shall maintain the records of its sales of the KPJ halfshafts or any premium joint product derivative of KPJ for a period of at least five years, and make them available to the auditor during normal business hours subject to a three-day written notice.

It is further **ORDERED** that all payments to Nexteer shall be made by wire transfer in U.S. currency.

It is further **ORDERED** that enforcement of the Award is **STAYED** only with regard to the 4.5% royalty on all future sales of any premium joint product derivative of KPJ from November 30, 2015, pending completion of the Singapore review process, provided that Erae Automotive posts bond in the amount of \$3,000,000 **on or before June 8, 2017**.

It is further **ORDERED** that this Judgment does not preclude Nexteer from applying for a supplemental Judgment upon the lifting of the stay referenced in the preceding paragraph, seeking to confirm the Award with regard to the 4.5% royalty on all future sales of any premium joint product derivative of KPJ from November 30, 2015, and seeking pre-judgment interest on these additional amounts or any attorney's fees and costs related to the enforcement of the derivative royalty provision in the Award.

It is further **ORDERED** that this Judgment does not preclude Nexteer from making an application for recovery of attorney's fees, costs and related interest incurred after the entry of the Award consistent with Nexteer's rights pursuant to the underlying Award, Exclusive Manufacturing & Supply Agreements between the parties, and/or Fed. R. Civ. P. 54(b).

Dated: June 2, 2017

s/George Caram Steeh
GEORGE CARAM STEEH
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

Copies of this Order were served upon attorneys of record on June 2, 2017, by electronic and/or ordinary mail.

s/Marcia Beauchemin
Deputy Clerk